

FIRST REGULAR SESSION

HOUSE BILL NO. 980

97TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE FRAKER.

2224L.011

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal section 67.457, RSMo, and to enact in lieu thereof one new section relating to notice of neighborhood improvement districts.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Section 67.457, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 67.457, to read as follows:

67.457. 1. To establish a neighborhood improvement district, the governing body of any city or county shall comply with either of the procedures described in subsection 2 or 3 of this section.

2. The governing body of any city or county proposing to create a neighborhood improvement district may by resolution submit the question of creating such district to all qualified voters residing within such district at a general or special election called for that purpose. Such resolution shall set forth the project name for the proposed improvement, the general nature of the proposed improvement, the estimated cost of such improvement, the boundaries of the proposed neighborhood improvement district to be assessed, and the proposed method or methods of assessment of real property within the district, including any provision for the annual assessment of maintenance costs of the improvement in each year during the term of the bonds issued for the original improvement and after such bonds are paid in full. The governing body of the city or county may create a neighborhood improvement district when the question of creating such district has been approved by the vote of the percentage of electors within such district voting thereon that is equal to the percentage of voter approval required for the issuance of general obligation bonds of such city or county under article VI, section 26 of the constitution of this state. The notice of election containing the question of creating a

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

18 neighborhood improvement district shall contain the project name for the proposed
19 improvement, the general nature of the proposed improvement, the estimated cost of such
20 improvement, the boundaries of the proposed neighborhood improvement district to be assessed,
21 the proposed method or methods of assessment of real property within the district, including any
22 provision for the annual assessment of maintenance costs of the improvement in each year after
23 the bonds issued for the original improvement are paid in full, and a statement that the final cost
24 of such improvement assessed against real property within the district and the amount of general
25 obligation bonds issued therefor shall not exceed the estimated cost of such improvement, as
26 stated in such notice, by more than twenty-five percent, and that the annual assessment for
27 maintenance costs of the improvements shall not exceed the estimated annual maintenance cost,
28 as stated in such notice, by more than twenty-five percent. The ballot upon which the question
29 of creating a neighborhood improvement district is submitted to the qualified voters residing
30 within the proposed district shall contain a question in substantially the following form:

31 Shall (name of city or county) be authorized to create a
32 neighborhood improvement district proposed for the (project name for the
33 proposed improvement) and incur indebtedness and issue general obligation bonds to pay for all
34 or part of the cost of public improvements within such district, the cost of all indebtedness so
35 incurred to be assessed by the governing body of the (city or county) on the
36 real property benefitted by such improvements for a period of years, and, if included in
37 the resolution, an assessment in each year thereafter with the proceeds thereof used solely for
38 maintenance of the improvement?

39 3. As an alternative to the procedure described in subsection 2 of this section, the
40 governing body of a city or county may create a neighborhood improvement district when a
41 proper petition has been signed by the owners of record of at least two-thirds by area of all real
42 property located within such proposed district. Each owner of record of real property located in
43 the proposed district is allowed one signature. Any person, corporation, or limited liability
44 partnership owning more than one parcel of land located in such proposed district shall be
45 allowed only one signature on such petition. The petition, in order to become effective, shall be
46 filed with the city clerk or county clerk. A proper petition for the creation of a neighborhood
47 improvement district shall set forth the project name for the proposed improvement, the general
48 nature of the proposed improvement, the estimated cost of such improvement, the boundaries
49 of the proposed neighborhood improvement district to be assessed, the proposed method or
50 methods of assessment of real property within the district, including any provision for the annual
51 assessment of maintenance costs of the improvement in each year during the term of the bonds
52 issued for the original improvement and after such bonds are paid in full, a notice that the names
53 of the signers may not be withdrawn later than seven days after the petition is filed with the city

54 clerk or county clerk, and a notice that the final cost of such improvement assessed against real
55 property within the district and the amount of general obligation bonds issued therefor shall not
56 exceed the estimated cost of such improvement, as stated in such petition, by more than
57 twenty-five percent, and that the annual assessment for maintenance costs of the improvements
58 shall not exceed the estimated annual maintenance cost, as stated in such petition, by more than
59 twenty-five percent.

60 4. Upon receiving the requisite voter approval at an election or upon the filing of a
61 proper petition with the city clerk or county clerk, the governing body may by resolution or
62 ordinance determine the advisability of the improvement and may order that the district be
63 established and that preliminary plans and specifications for the improvement be made. Such
64 resolution or ordinance shall state and make findings as to the project name for the proposed
65 improvement, the nature of the improvement, the estimated cost of such improvement, the
66 boundaries of the neighborhood improvement district to be assessed, the proposed method or
67 methods of assessment of real property within the district, including any provision for the annual
68 assessment of maintenance costs of the improvement in each year after the bonds issued for the
69 original improvement are paid in full, and shall also state that the final cost of such improvement
70 assessed against the real property within the neighborhood improvement district and the amount
71 of general obligation bonds issued therefor shall not, without a new election or petition, exceed
72 the estimated cost of such improvement by more than twenty-five percent.

73 5. The boundaries of the proposed district shall be described by metes and bounds,
74 streets or other sufficiently specific description. The area of the neighborhood improvement
75 district finally determined by the governing body of the city or county to be assessed may be less
76 than, but shall not exceed, the total area comprising such district.

77 6. In any neighborhood improvement district organized prior to August 28, 1994, an
78 assessment may be levied and collected after the original period approved for assessment of
79 property within the district has expired, with the proceeds thereof used solely for maintenance
80 of the improvement, if the residents of the neighborhood improvement district either vote to
81 assess real property within the district for the maintenance costs in the manner prescribed in
82 subsection 2 of this section or if the owners of two-thirds of the area of all real property located
83 within the district sign a petition for such purpose in the same manner as prescribed in subsection
84 3 of this section.

85 **7. Prior to any assessment hereafter being levied against any real property within**
86 **any neighborhood improvement district, and prior to any lien enforceable under either**
87 **chapter 140 or 141 being imposed after August 28, 2013, against any real property within**
88 **a neighborhood improvement district, the clerk of the governing body establishing the**
89 **neighborhood improvement district shall cause to be recorded with the recorder of deeds**

90 for the county in which any portion of the neighborhood improvement district is located,
91 a document conforming to the provisions of sections 59.310 and 59.313, and which shall
92 contain at least the following information:

93 (1) Each owner of record of real property located within the neighborhood
94 improvement district at the time of recording, who shall be identified in the document as
95 grantors and indexed by the recorder under section 59.440;

96 (2) The governing body establishing the neighborhood improvement district and
97 the title of any official or agency responsible for collecting or enforcing any assessments,
98 who shall be identified in the document as grantees and so indexed by the recorder under
99 section 59.440;

100 (3) The legal description of the property within the neighborhood improvement
101 district which may either be the metes and bounds description authorized in subsection 5
102 of this section or the legal description of each lot or parcel within the neighborhood
103 improvement district; and

104 (4) The identifying number of the resolution or ordinance creating the
105 neighborhood improvement district, or a copy of such resolution or ordinance.

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